

## ***PUBLIC WORKS DEPARTMENT***

### **Impact Analysis Report**

#### ***OVERVIEW***

The Public Works Department's Development Fee Program is responsible for the collection of various cost recovery fees for private development related activities, such as plan review and inspection of public improvements constructed by private developers, review of subdivision maps, grading permits, geologic hazard clearances, sewer lateral/revocable encroachment permits, and encroachment permits to utility companies and other agencies.

Fee collections in the Public Works Department are on target and are anticipated to end 2005-2006 at the originally projected \$7.1 million level. In 2006-2007, base revenue collections are expected to increase slightly to \$7.27 million based on a 4% increase in permit activity for residential projects. Fee program costs, however, continue to rise, and for 2006-2007 are projected to approach the \$8.1 million level due to increases in salary and benefits, overhead costs, and the introduction of costs for office space in the new City Hall. In previous years, an amortization amount for building replacement cost was not incorporated into the Public Works fee structure to reflect existing office space costs. Currently, incorporating building space costs into the fee structure all at once would result in a fee increase of approximately 13%. Recognizing that an all-at-once 13% cost increase for the development service partners could not be immediately absorbed by the fee structures, the City Manager authorized a plan to phase in the cost increases to the development fee programs over 5 years.

This forecasted imbalance prompted a joint outreach effort within the Development Fee Program partners: the Planning, Building and Code Enforcement and Fire Departments, with the goal of obtaining approval of a comprehensive City-wide development services fee package. After significant consultation with the development community, the Department is proposing a package of fee revisions, which include an 8.6% fee increase for the program as a whole, (7% overall, as well as an additional increase to fees assessed to Utility companies) in 2006-2007. This fee increase, along with the proposed use of the Public Works Earmarked Reserve (\$202,316) will bring revenues and expenditures into alignment in 2006-2007.

While the overall impact of the proposed fee increase is 8.6%, certain fees being proposed for adjustment are increasing more substantially than others. This is due primarily to the fact that the timeframe within which those fees were last adjusted is longer than those with smaller or no increases. In addition, the magnitude of cost increases and projected activity associated with each of the individual fees varies, thereby impacting certain fees more significantly than others.

#### ***SUMMARY AND IMPACT OF PROPOSED FEE REVISIONS***

Public Works proposes fee revisions to fifteen existing fees and the addition of five new fees as part of its strategy to bring the program back to a 100% cost recovery level. A discussion of the major fee revisions is also included in the

## ***PUBLIC WORKS DEPARTMENT (CONT'D.)***

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### ***SUMMARY AND IMPACT OF PROPOSED FEE REVISIONS (CONT'D.)***

2006-2007 Proposed Operating Budget document. This can be found in the Community and Economic Development CSA section on pages VII 82-83 and in the General Fund Revenue Estimates section on pages VI 28-29. The fees recommended for adjustment are as follows:

- Engineering and Inspection (Residential, Non-Residential, and Landscape Improvements)
- Parcel Maps
- Contract Extension
- VTA Bus Pad Testing
- Sewer Pipe Plans Inspection
- Night/Weekend/Holiday Inspection Surcharge
- Grading Permits
- Sewer Laterals
- Planned Development Rezoning
- Planned Development Permits
- Site Development Permits
- Tentative Maps
- Water Quality Runoff
- Utility Excavation Permits (Major and Minor)
- Record Retention

### ***NEW FEES***

**Revocable Encroachment Permit Fee:** Revocable Encroachment Permits are construction permits issued by the City to allow a contractor to use the public street right of way for a temporary installation or temporary work.

**Photocopy Fee:** The Department has historically charged for making 8 ½ X 11 copies and is now proposing to charge a fee for making 11 X 17 copies as well as Microfiche/Microfilm copies. This photocopying fee schedule aligns with the current Planning, Building, and Code Enforcement photocopying fee schedule.

**Optical Image Reproduction Fee:** This fee would be assessed for optical image reproduction which generally provides a cleaner, crisper copy to customers. A fee is proposed for standard size copies, 11 X 17 copies, and larger size plan copies.

**Document Copies on CD:** This fee would be assessed to those document copies provided to customers via a compact disk format.

**Document Research Service Fee:** This fee would be assessed to customers who require City staff assistance in researching information which is readily available online or via self-help stations in the City Hall lobby. This fee will be assessed on an hourly basis with minimum fee amounts to be charged according to the classification providing customer assistance.

Implementation of the proposed Public Works Department's fees and charges would achieve a 100 percent cost recovery level and provide engineering and inspection services commensurate with projected 2006-2007 development activity at current performance levels.

***PUBLIC WORKS DEPARTMENT (CONT'D.)***

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***NOTIFICATION***

General public notice of the proposed fee schedule is provided through published Council hearing dates and a minimum of ten days public review of the 2006-2007 Proposed Fees and Charges Report.

**DEPARTMENTAL FEES & CHARGES****PUBLIC WORKS*****Exhibit A***

Number of Lights	Total Street Light Fee Street Light Design	Street Light Review	Street Light Inspection
1 street light	\$720	\$510	\$485
2 street lights	\$1,300	\$885	\$835
3 street lights	\$1,880	\$1,260	\$1,185
4 street lights	\$2,460	\$1,635	\$1,535
5 street lights	\$3,040	\$2,010	\$1,885
6 street lights	\$3,620	\$2,385	\$2,235
7 street lights	\$4,200	\$2,760	\$2,585
8 street lights	\$4,780	\$3,135	\$2,935
9 street lights	\$5,360	\$3,510	\$3,285
10 street lights	\$5,940	\$3,885	\$3,635
11 street lights	\$6,340	\$4,140	\$3,835
12 street lights	\$6,740	\$4,395	\$4,035
13 street lights	\$7,140	\$4,650	\$4,235
14 street lights	\$7,540	\$4,905	\$4,435
15 street lights	\$7,940	\$5,160	\$4,635
16 street lights	\$8,340	\$5,415	\$4,835
17 street lights	\$8,740	\$5,670	\$5,035
18 street lights	\$9,140	\$5,925	\$5,235
19 street lights	\$9,540	\$6,180	\$5,435
20 street lights	\$9,940	\$6,435	\$5,635
21 street lights	\$10,240	\$6,615	\$5,785
More than 21 street lights	\$10,240 + \$300 for each additional light	\$6,615 + \$180 for each additional light	\$5,785 + \$150 for each additional light

**MINOR SIGNAL PROJECT**

- \$1,200 each inspection

**MAJOR SIGNAL PROJECT (INCLUDING NEW PROJECTS)**

- 1.5% or \$1,200 each inspection, whichever is greater

**INITIAL EVALUATION**

\$215

**Construction Materials Testing****A. Standard Projects**

Basic materials testing fees cover original scheduled testing only. Retesting of failing materials tests are not included. If additional retesting is necessary, additional charges will be made on a time and materials basis.

**TABLE A**

Right of Way	Basic Materials Testing Fees
1 - 10,000 square feet	\$3,600
10,001 - 40,000 square feet	\$3,600 plus \$0.32 per square foot
40,001 or more square feet	\$13,200 plus \$0.11 per square foot

**B. Non-Standard Projects**

For these projects, a surcharge will be added to the basic materials testing fees in Table A as shown below.

**TABLE B**

Type of Project	Basic Materials Testing Fees Surcharges
• Bridges & major concrete structures	Time and Materials (Contact Lab for Details)
• Projects with lime treated base or other treated bases	Time and Materials (Contact Lab for Details)
• Projects using non-standard materials or specifications	Time and Materials (Contact Lab for Details)

**PAVEMENT DESIGN****A. Standard Projects**

One of the following fees shall be applied if pavement work is required as a result of a private development project:

**1. GEOTECHNICAL INVESTIGATION**

<b>Right of Way</b>
1 - 10,000 square feet
10,001 - 40,000 square feet
40,001 or more square feet

<b>Basic Improvement Design Fees</b>
\$3,600
\$3,600 plus \$0.10 per square foot
\$6,600 plus \$0.09 per square foot

2. **RESEARCH DESIGN FEE:** **\$400**

3. **MAP DESIGN FEE:** **\$200**

**B. Non-Standard Projects**

For projects using non-standard construction materials such as pavers or other architectural pavement treatment, add 25% surcharge to the pavement design fee as shown in Table C above.

**OTHER LAB SERVICES**

The following lab services will be charged on a time and materials basis:

- Failure Analysis
- Outside consultant service (special testing)

**PLANNED DEVELOPMENT PREZONING/REZONING FEE SCHEDULE****RESIDENTIAL**

<b>DESCRIPTION</b>	<b>INITIAL FEE* (BASE FEE)</b>	<b>RANGE LOW COMPLEXITY (Base Fee)</b>	<b>RANGE MEDIUM COMPLEXITY (Base Fee x 2)</b>	<b>RANGE HIGH COMPLEXITY (Base Fee x 3)</b>
0 to 15 DU	\$750	\$750	\$1,500	\$2,250
16 to 99 DU	\$750 plus \$11/DU	\$926 to \$1,839	\$1,852 to \$3,678	\$2,788 to \$5,517
100 DU and Over	\$1,850 plus \$4/DU	\$2,250 to no maximum	\$5,500 to no maximum	\$6,750 to no maximum

**NON-RESIDENTIAL**

<b>DESCRIPTION</b>	<b>INITIAL FEE* (BASE FEE)</b>	<b>RANGE LOW COMPLEXITY (Base Fee)</b>	<b>RANGE MEDIUM COMPLEXITY (Base Fee x 2)</b>	<b>RANGE HIGH COMPLEXITY (Base Fee x 3)</b>
0 to 4,999 SF	\$750 flat fee	\$750	\$1,500	\$2,250
5,000 to 19,999 SF	\$750 plus \$0.028/SF	\$890 to \$1,282	\$1,780 to \$2,564	\$2,670 to \$3,846
20,000 to 99,999 SF	\$1,310 plus \$0.011/SF	\$1,530 to \$2,410	\$3,060 to \$4,820	\$4,590 to \$7,230
100,000 SF or more	\$2,410 plus \$0.005/SF	\$2,006 to no maximum	\$4,012 to no maximum	\$6,018 to no maximum

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\*The initial fee shall be paid at the time the application is submitted. Public Works staff shall assign a complexity factor using established criteria after review of the application. If the application is determined to be low complexity, no additional fee will be due; however, if the application is determined to be high complexity, the total fee will be three (3) times the base fee (initial fee). The remaining fee shall be paid prior to the City Council hearing.

**PLANNED DEVELOPMENT PERMIT FEE SCHEDULE****RESIDENTIAL**

<b>DESCRIPTION</b>	<b>INITIAL FEE* (BASE FEE)</b>	<b>RANGE LOW COMPLEXITY (Base Fee)</b>	<b>RANGE MEDIUM COMPLEXITY (Base Fee x 2)</b>	<b>RANGE HIGH COMPLEXITY (Base Fee x 3)</b>
No Construction	\$200	\$200	N/A	N/A
1 to 15 DU	\$680	\$680	\$1,360	\$2,040
16 to 99 DU	\$680 plus \$7/DU	\$792 to \$1,373	\$1,584 to \$2,746	\$2,376 to \$4,119
100 DU or more	\$1,380 plus \$3/DU	\$1,680 to no maximum	\$3,360 to no maximum	\$5,040 to no maximum

**NON-RESIDENTIAL**

<b>DESCRIPTION</b>	<b>INITIAL FEE* (BASE FEE)</b>	<b>RANGE LOW COMPLEXITY (Base Fee)</b>	<b>RANGE MEDIUM COMPLEXITY (Base Fee x 2)</b>	<b>RANGE HIGH COMPLEXITY (Base Fee x 3)</b>
No Construction	\$200	\$200	N/A	N/A
0 to 4,999 SF	\$600 flat fee	\$600	\$1,200	\$1,800
5,000 to 19,999 SF	\$600 plus \$0.016/SF	\$680 to \$920	\$1,360 to \$1,840	\$2,040 to \$2,760
20,000 to 99,999 SF	\$920 plus \$0.008/SF	\$1,080 to \$1,720	\$2,160 to \$3,440	\$3,240 to \$5,160
100,000 SF or more	\$1,720 plus \$0.005/SF	\$2,220 to no maximum	\$4,440 to no maximum	\$6,660 to no maximum

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**SITE DEVELOPMENT PERMIT FEE SCHEDULE****NON-RESIDENTIAL**

DESCRIPTION	INITIAL FEE* (BASE FEE)	RANGE LOW COMPLEXITY (Base Fee)	RANGE MEDIUM COMPLEXITY (Base Fee x 2)	RANGE HIGH COMPLEXITY (Base Fee x 3)
No Construction	\$205	\$205	N/A	N/A
1 to 4,999 SF	\$650 flat fee	\$650	\$1,300	\$1,950
5,000 to 19,999 SF	\$650 plus \$0.022/SF	\$760 to \$1,090	\$1,520 to \$2,180	\$2,280 to \$3,370
20,000 to 99,999 SF	\$1,090 plus \$0.01/SF	\$1,290 to \$2,090	\$2,580 to \$4,180	\$3,870 to \$6,270
100,000 SF or more	\$2,090 plus \$0.007/SF	\$2,790 to no maximum	\$5,580 to no maximum	\$8,370 to no maximum

**RESIDENTIAL (IF APPLICABLE)**

DESCRIPTION	INITIAL FEE* (BASE FEE)	RANGE LOW COMPLEXITY (Base Fee)	RANGE MEDIUM COMPLEXITY (Base Fee x 2)	RANGE HIGH COMPLEXITY (Base Fee x 3)
No Construction	\$200	\$200	N/A	N/A
0 to 15 DU	\$525	\$525	\$1,050	\$1,575
16 to 99 DU	\$440 plus \$10/DU	\$600 to \$1,430	\$1,200 to \$2,860	\$1,800 to \$4,290
100 DU or more	\$1,050 plus \$5/DU	\$1,550 to no maximum	\$3,100 to no maximum	\$4,650 to no maximum

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**CONDITIONAL USE PERMIT FEE SCHEDULE****NON-RESIDENTIAL**

<b>DESCRIPTION</b>	<b>INITIAL FEE* (BASE FEE)</b>	<b>RANGE LOW COMPLEXITY (Base Fee)</b>	<b>RANGE MEDIUM COMPLEXITY (Base Fee x 2)</b>	<b>RANGE HIGH COMPLEXITY (Base Fee x 3)</b>
No Construction	\$200	\$200	N/A	N/A
0 to 4,999 SF	\$525 flat fee	\$525	\$1,050	\$1,575
5,000 to 19,999 SF	\$515 plus \$0.025/SF	\$640 to \$1,015	\$1,280 to \$2,030	\$1,920 to \$3,045
20,000 to 99,999 SF	\$815 plus \$0.015/SF	\$1,115 to \$2,315	\$2,230 to \$4,630	\$3,345 to \$6,945
100,000 SF or more	\$1,925 plus \$0.005/SF	\$2,425 to no maximum	\$4,850 to no maximum	\$7,275 to no maximum

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**TENTATIVE MAPS FEE SCHEDULE**

DESCRIPTION	BASE FEE	LOW COMPLEXITY (Base Fee)	MEDIUM COMPLEXITY (Base Fee x 2)	HIGH COMPLEXITY (Base Fee x 3)
0 to 15 lots	\$485	\$485	\$970	\$1,455
16 to 100 lots	\$880	\$880	\$1,760	\$2,640
Over 100 lots	\$880 plus \$6/lot	\$1,480 to no maximum	\$2,960 to no maximum	\$4,440 to no maximum

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